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Abstract

This study seeks to identify the critical factors that affect the success and performance of new ventures. This topic seems to have inclining interest due to the fact that entrepreneurship lies on the focus of global attention. Additionally, it is a very fluid topic and evolves continuously; as such, many researchers are motivated to investigate it from different perspectives. An additional reason of high interest is that recently in Greece, the development of new ventures has just started taking place. In particular, the study examines the personality traits of the entrepreneur, the characteristics of the products, the strategies that are implemented by new ventures, the impact of internal and external environment, the special characteristics of each venture separately (based on the obtained sample), the incubation process and so forth. The study involves the examination of seven successful new ventures from different industry sectors, such as information systems, software and technology. The dissertation thesis was based on semi-structured interviews of seven founders of the new ventures, which were examined, through the use of a semi-structured questionnaire with questions relevant to the topic adapted from the literature review in the field.

Having reviewed the literature and having drawn upon previous scientific articles, we attempt to examine our initial assumptions and provide relevant evidence through our findings. The findings reveal the prominent role of the entrepreneur for the success of a new venture. Specifically, entrepreneurial personality traits, like the capability to eliminate imminent risks, prior managerial experience, persistence, daring, flexibility and risk-taking, seem to have positive effect on new venture success. Furthermore, our empirical research demonstrates that the entrepreneurial team boosts the performance of the venture and it should consist of individuals with different scientific backgrounds.

Also, we can infer that the creation of products' prototype is concerned to be essential for a new venture. Besides, an upward trend of products based on incremental innovations is observed. Moreover, it is considered important for a new

venture to spend some time on market research, follow a detailed planning procedure, develop an analytical business plan and make estimations about new venture's costs at the early stages. It was also found that the use of outside professionals and advisors is quite beneficial for the performance of the new venture.

Regarding the strategies which are pursued by new ventures, our findings ascertain Porter's competitive strategies typology (1980). Among the strategies that our sample has adopted are low cost (cost leadership), differentiation and focus strategies. Our findings reveal that when a new venture has to choose the appropriate type of strategy, it should consider the specific circumstances it should cope with, its capabilities, its resources and specifically the industry conditions by which it is confronted.

Taking into account the external/macro-environment, we can conclude that the latter has a great impact on new ventures' success or failure. Finally, another important factor that seems to play a significant role to new ventures' success is the incubation contribution and its benefits (rental space and equipment, consulting/coaching and networking).

The above findings provide rich theoretical and managerial implications by advancing already existing knowledge in the field of entrepreneurship and new venture creation in particular. They further provide rich insight to managers of ventures and entrepreneurs, with regard to critical success factors during the initiation process and resource allocation decisions that are vital to the success of entrepreneurial initiatives.

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1. INTRODUCTION

It is an undeniable fact that an increase in new venture creation, contributes to the prosperity of a society (GEM Global Report, 2012). This means that new venture creation aids the economic growth of a country and makes people seize valuable opportunities in order to create something unique and innovative.

Forbes (1999) claims that when creating a new venture, there are multiple factors that can affect its success. Moreover, Kirzner (1979) states that in order for a new venture to succeed, specific entrepreneurial characteristics are required. As today's business environment tends to become more and more competitive, these factors tend to change and the entrepreneurial characteristics have to adapt to the new reality.

The current dissertation thesis reports the results of the empirical study that has been conducted in order to identify the critical factors associated to successful entrepreneurial activities. Specifically, this study will illustrate the challenge for new ventures to succeed in a highly competitive environment and how an entrepreneur should be in alert to seek entrepreneurial opportunities. The unit of analysis of this dissertation includes the founders of some successful new ventures from different industry sectors.

It is essential to investigate the various factors that are assumed to affect to the entrepreneurial start-up process as the literature indicates (McClelland, 1987; MacMillan and Day, 1987; Duchesneau and Gartner, 1990; Carter *et al.*, 1994; Nam, 2000; Stewart and Roth, 2001; Song *et al.*, 2010) such as the personality traits of the entrepreneur, the characteristics of the products, the strategies that are implemented by new ventures, the impact of the environment, the special characteristics of each venture (based on the study's sample), the incubation process and so forth, which affect the performance of a new venture, because "new venture success is not solely influenced by a single type of factor", but by a variety of factors (Duchesneau and Gartner, 1990, pp.298).

Reviewing the literature, we have tried to use some key studies like that of Duchesneau and Gartner, 1990, Kakati, 2003, Carter *et al.*, 1994, Song *et al.*, 2010 and so forth, in order to identify where the research gap lies, build our own study and create our dissertation's research questions.

The methodology that has been employed in this study is the qualitative research method based on the case study method. The multiple case-study method, according to Yin (1984), is concerned to be appropriate for our research, because in this way a study becomes more accurate due to more evidences which are examined (Almeida and Fernando, 2008). More particularly, we collected our data through semi-structured interviews conducted with seven founders of Greek new ventures. For the purpose and the validity of results of the study, we tried to collect as many as possible interviews, but out of ten new ventures where invitations had been sent initially, seven accepted to contribute to the study. The sample of the dissertation consists of five entrepreneurs from Thessaloniki and two from Athens, respectively. The research lasted approximately five months while the conduction of the interviews was generated within almost two months.

Additionally, the basic research instrument used for this dissertation was a semi-structured questionnaire. In order to construct the questions of the questionnaire, various articles and reports from EBSCO Database, Google Scholar, Babson College (www.babson.edu) and Global Entrepreneurship Monitor (www.gemconsortium.org) contributed to the gathering of the specific data. In particular, the author has made some modifications to already existing questions or data from previous scientific articles in order to use them for the study and some other questions were generated for the examination of additional emerging issues by the author.

The data analysis chapter presents the way the answers of respondents have been coded and categorized. The findings, derived from this study, were reported analytically and discussed later on this thesis. Next, a discussion and interpretation of the most important findings follows.

One of the most important factors affecting the success of a new venture is the prominent role of the entrepreneur. Although there is not a consensus by previous

scholars (Sandberg and Hofer, 1987; Kakati, 2003; Duchesneau and Gartner, 1990), if the entrepreneur plays a critical role to the performance of a new venture, we could infer that there is a strong positive effect to the success of the venture. Specifically, the entrepreneur's personality traits like decision making and problem solving ability (McClelland, 1987) makes him/her able to overcome obstacles and being flexible. However, the entrepreneur is inextricably connected with the entrepreneurial team. In addition, it is assumed that the entrepreneur should develop and choose a specific competitive strategy, because it is him/her who knows the capabilities and needs of his/her venture.

Additionally, successful new ventures required to be based on a creation of a prototype regarding their products, spending some time on market research, following a detailed planning procedure, developing an analytical business plan and making estimations about new venture's costs. According to Duchesneau and Gartner (1990, pp.298), "the use of outside professionals and advisors" have a positive effect to the performance of new ventures.

Taking into consideration the study of Song *et al.* (2010) who claim that products based on radical innovations perform better than those based on incremental innovations, our findings reveal that entrepreneurs created successful products based on incremental innovations. This finding perhaps is attributed to the economic crisis, which makes entrepreneurs seek more stable and cheap solutions for the creation of new products.

Concerning the strategies, which the new ventures implement, our findings assure Porter's strategies typology (1980). Among the strategies the new ventures adopt are the low-cost, differentiation and focus strategy. Thereafter, when a new venture has to choose the appropriate type of strategy should examine the specific circumstances that has to cope with, its capabilities, its resources and specifically its industry conditions (Shrader and Simon, 1997; McDougall *et al.*, 1994).

Another factor that plays a prominent role to the success or failure of a new venture is the external/macro-environment. Indicatively, some existing opportunities derive from: the economic crisis, which makes entrepreneurs think in a more innovative

and different way in order to create something unique regarding the needs of the costumers, the global market which offers opportunities to new ventures in order to expand their businesses and the technology field. Regarding the threats, new ventures have to cope with the no favorable economic conditions, the lack of funding and investments, the strong competition both to global and local stage and the constant changes of technology.

Finally, one of the most significant factors that affects new ventures' performance is the contribution of the incubation process. The core incubator's benefits offered to new ventures are the rental space and equipment, consulting/coaching and the networking, as derived from the research and ascertain the theory written in the report of Babson College (2012) and the Nam's study (2000). However, our findings are not in an absolute accordance with the literature review, regarding the financial support that offered by incubators.

Last but not least, this dissertation provides some theoretical and practical implications in the conclusion session. Particularly, it informs already existing theory in the area of entrepreneurship and new venture creation in particular and enlightens practitioners about the best practices they can follow in order to succeed with a focus on critical factors of attention involved in the start-up process, as well as, in turn, to resources required and properly allocated in order to maximize the chances of new venture success.

2. LITERATURE REVIEW

In this section, a literature review takes place for all the matters concerning new venture development. At first, the concept of entrepreneurship is discussed. Then, the role of venture capital is analyzed. The characteristics of a successful entrepreneur are also described. Next, strategies for the successful development of

a new venture, as well as the rest of the crucial factors affecting it, are analyzed. Finally, the research questions of the dissertation are presented.

2.1 The meaning of Entrepreneurship

The Classical School of Economics claimed that there are three factors that are necessary for the production of goods; labor, land and capital. Nowadays, economists and analysts have identified another basic factor, entrepreneurship. Thus, this is why our study has focused on this research field as a level/area of analysis.

Entrepreneurship is defined as the capability of an individual or a collaborating group of people to take all kinds of economic activities and decisions in order to ensure private profit, while contributing in strengthening the competitiveness of the economy of the country, increasing employment and enhancing economic and social development. Entrepreneurship is one of the main components to achieving a sustainable domestic economy that will be able to cope with the international economic competition (Leibenstein, 1968; Murray, 1984).

According to Bull and Willard (1993), the entrepreneur is capable of combining the other three factors of production in such an efficient way in order to ensure the creation of profit. However, in order for the entrepreneur to be successful, essential skills are required. This person should also have skills and qualifications, while at the same time, he should make sure that the environment in which he decides to start his venture supports business growth.

In recent years, the terms "entrepreneurship" and "internationalization" have penetrated into modern business vocabulary to describe functions of the modern corporation in the domestic and international market environment. According to Oviatt and McDougall (2005), as globalization is present in every sector of economy,

international entrepreneurship is nowadays thought to be the new trend for modern economies. In particular, this term is associated with the expansion of entrepreneurship beyond domestic borders to international markets.

According to Glade (1967), the term of entrepreneurship refers to people, to their choices and to their actions performed when starting, taking over or running a business, or their involvement in strategic decision-making of a company. Entrepreneurs do not always come from the same sectors or countries, or do not always have the same characteristics, skills and knowledge. However, modern economic theories suggest there are some common characteristics of entrepreneurial behavior, as will be further analyzed, including the will to take risks and the desire for independence and self-realization.

According to Low and MacMillan (1988), entrepreneurship can appear in any sector and type of business. It may be associated with self-employed businesses or companies of any size no matter in which phase of the business life cycle they are, with ventures that have not even be started, with companies that are ready to expand, and even firms that discuss the possibility to close. Entrepreneurship can also be associated with publicly traded companies, social enterprises and non- profit organizations, which often have significant economic activities.

Entrepreneurship is the means to creating and developing economic activity by blending risk-taking, creativity and / or innovation with management, within a new or an existing organization. There are many reasons why entrepreneurship should be promoted. The most basic ones are:

- Entrepreneurship contributes to job creation. New and small businesses may create more and more job positions if the owners- managers are efficient entrepreneurs. It is a fact that countries with great increase in entrepreneurship rates tend to exhibit lower levels of unemployment. During the 1990s, fast-growing firms contributed significantly to job creation (Kirchhoff and Phillips, 1988).

- New business ventures, referring to either starting a new firm or reorienting an existing one (e.g. after changing owner), boost productivity. New ventures increase competitiveness as they force other firms to react by improving efficiency or introducing innovations. This increases efficiency and business innovation in organizations, processes, products, services or markets, enhances the competitiveness of the economy as a whole. The outcome of this fact is that consumers are offered many benefits through more choices and lower prices (Torvik, 2002).
- Being an entrepreneur is not just a way to earn money. There are other factors that influence career choices, such as security, level of independence, variety of tasks and interest in the job position. Higher income levels may prompt people to fulfill 'higher needs', such as self-realization and independence through entrepreneurship. Maslow's Pyramid of Needs claims that amongst all types of needs, there is a group of needs that are associated with self-fulfillment. Thus, there are people who choose to become entrepreneurs because they hope that they can improve their position and life style. Job satisfaction among entrepreneurs is higher than among the employees (Chen *et al.*, 1998).

2.2 Review of literature of the term entrepreneurship

The term “entreprendre”, which was introduced by Cantillon, has its roots in the 18th century and it described the first steps in business activities in a more general way (Peneder, 2009, pp.80). After Cantillon's endeavor to explain the term, numerous authors attempted to give definitions of the term “entrepreneurship” through the past decades. Despite the variety of definitions that have been provided, it is difficult to widely accept a commonly used definition due to the complexity of its concept. However, some definitions will be presented in a chronological way below.

In 1975, Schultz defined entrepreneurship as the competence to bring out with instability's circumstances. After Schultz, the core meaning of the term for Kirzner concerns the vigilance to seek always business opportunities (Hebert and Link, 1989). A study conducted by Long (1983) supports that entrepreneurship is strongly connected to the risk, managerial talent and opportunistic behavior. Hebert and Link argued that entrepreneurship is a determinant factor of the economy theory and it is inextricably connected with the term 'entrepreneur'. Thus, they stated that entrepreneurship deals with a venturer who undertakes risks and tries to rejuvenate an existing firm or building an innovative firm (Hebert and Link, 1989). In addition, "entrepreneurship Division's Call for Papers" defined entrepreneurship as the development of new, small or family ventures (Gartner, 1990).

In the 21th century, the definition of the term evolved and scholars examined the topic from different, more complex dimensions. In addition, it should be mentioned that many scholars perceived entrepreneurship as a phenomenon (Hytti, 2005).

However, most of the authors through the years accept Schumpeter's definition of the term. Schumpeter emphasizes the key role of innovation into a new entrepreneurial endeavor. Also, he defined entrepreneurship as "the particular economic function" which brings innovativeness to the economic and business world (Peneder, 2009, pp.83).

2.3 Ventures and the role of venture capital

In order for a venture to come to life, funding is required. When it comes to ventures that are related to a new innovative idea, funding might get really high and thus might be difficult for the entrepreneur to have this necessary capital to begin with. As innovative ventures mean risk, conservative sources of funding, such as banks, usually avoid undertaking such projects. For this reason, a new kind of funding was developed; venture capital. The latter is granted from venture capital firms.

According to the definition given by the European Union of Venture Capital Firms (European Venture Capital Association), venture capital is "... an investment in companies with high level growth prospects, accompanied by activities on the part of the investor (venture capitalist) that increase the value of the new venture towards the prime objective of capital increase" (<http://evca.eu/>).

In order for a new venture to receive the funding a venture capital firm provides, the latter asks for some specific requirements. More specifically, in order for the venture capitalist to fund a new venture, the following criteria are analyzed (Macmillan *et al.*, 1985):

- the business concept or idea and whether it is supported by a detailed business plan,
- the market in which the company is going to function. Typically, each venture capital firm conducts a detailed analysis of different sectors of an economy, it has internal information and has also knowledge and past experience in several of them,
- the assessment of whether and how the company may or may not dominate the market concerned. Usually venture capital firms are interested only in investing in new ventures for which there is an assessment that they can obtain one of the largest market shares in which they operate,
- the entrepreneurs themselves and the management team. The entrepreneur shall "prove" his desire to create and develop the business. Regarding the management team, it is very important they all have previous experience in the field and the proven ability to manage,
- whether the decision to exit the investment is a clear and easy process.

2.4 Characteristics of the successful entrepreneur

The personal characteristics of the entrepreneur play a major role in the business survival, performance, and success. The quality of the personal characteristics of the entrepreneur/manager affect the venture's destiny, as they may on one hand lead the company to success or, on the other hand, may lead it to failure. It is rather rational that when the characteristics of the manager are inadequate and lead to inefficient management, they tend to weaken the company and create those conditions that might lead to failure. Literature suggests that a person is considered to have the capacity of doing business, or in other words he is a successful entrepreneur, when he has specific characteristics and social skills. The most necessary ones are:

- **Risk Taking:** The ability to take risks is a basic factor that distinguishes the entrepreneur from the manager, as many studies support (Stewart and Roth, 2001, Carland *et al.*, 1984). Successful entrepreneurship is associated with rational risk taking in challenging situations where there is a reasonable probability of success and profit making.
- **Internal Locus of Control:** Mueller and Anisya (2001) claim that people who start their own business tend to have a higher level of internal control and can easier identify and control the factors of the external environment.
- **Decision making and problem solving ability:** Entrepreneurship is classically linked with problem solving skills and responsible and rapid decision-making abilities that lead to profitability and that prevents failures. The entrepreneur has to make decisions efficiently, given the fact that often he lacks information that will ensure success. As today's economies are competitive, he is forced to make decisions and make choices that in many cases they will be thought as harsh. In addition, the entrepreneur should also be creative when resolving any problem, as creativeness may lead to the discovery of new opportunities (McClelland, 1987).

- Need for achievement: Individuals with a high level of this need tend to be more eager to take personal responsibilities, lead difficult tasks and achieve challenging goals (McClelland, 1987).
- Confidence: Successful entrepreneurs have determination and a good sense of self- efficacy. Entrepreneurs that are characterized as confident do not quit difficult projects, even if they struggle with new, challenging ventures. Kirkwood (2009) states that in order for an individual to become a successful entrepreneur, one must boost his self-confidence.
- Ability to organize and manage: Entrepreneurship is associated with finding, organizing and generally managing the necessary resources (capital, machinery, technology, raw materials, human resources), with the ultimate goal of "reward". The ability of perceptiveness that enables the entrepreneur to be always ready to manage and organize is what will eventually make him a successful businessman (Hornaday and Aboud, 1971).
- Social skills: The successful entrepreneur has the ability to cooperate and communicate with other people, get easily socially networked, negotiate and undertake a variety of roles in every circumstance. In addition, the successful entrepreneur should find time to develop contacts with people who can contribute to the development of the company (customers, banks, consultants, analysts, partners, etc.). Modern business public relations are probably the most essential factors of success, and thus the entrepreneur should pay serious attention to this factor (Kirkwood, 2009).
- Flexibility: An entrepreneur has to deal with different and often unpredictable situations that require immediate resolution with often uncertain outcome. Flexibility to handle such situations is a necessary characteristic of a successful entrepreneur. Tolerance to ambiguity and resistance under pressure are characteristics that make it easy for the individual in dealing with uncertainty (Mueller and Anisya, 2001).
- Innovativeness: The successful entrepreneur should be thinking creatively, as discussed above. Being constantly open-minded and search for alternative plans when the initial one does not work leads to innovations. An

entrepreneur is innovative not only when he comes up with a new idea, but even when he takes an already applied one and widens it or develops it in another way (Stewart and Roth, 2001).

2.5 Strategies that affect new ventures' performance

Undoubtedly, there is a wide breadth of strategic options that a new venture can adopt. Literature illustrates various perspectives from different scholars who examine thoroughly this topic through the years.

It is of significant importance that most of the researches regarding the correlation of venture performance with strategic choice have been conducted from 1987 and on. Many researchers argued that new ventures should follow a 'niche' strategy, in other words strategies with a narrow scope, and others claimed that new ventures should pursue an aggressive entry strategy and enter the marketplace in a more dynamic way.

Earlier scholars, such as Stinchcombe (1965), Broom and Longenecker (1971), Cohn and Lindberg (1974) and Hosmer (1957), suggested that new ventures should design specific products with superior quality which target unserved/new market segments. In this way, a 'niche' strategy helps new ventures not to come in a "direct competition" with the incumbents firms, activate in the marketplace in a safer way and seize ignored opportunities by larger firms (Carter *et al.*, 1994).

In comparison with the above perspective, in a study conducted by Duchesneau (1987), it was found that the variable of "strategies of aggressive entry to broad markets" affect positively the new venture's performance (Duchesneau and Gartner, 1990, pp.299). Similarly, Biggadike (1976), MacMillan and Day (1987) agreed that a strategy of "aggressive marketing" which adopted by a new venture is more efficient than a niche strategy. As a result, the new venture achieves a higher share on the market.

Furthermore, Shrader and Simon (1997) divided the new ventures in “independent ventures” and “corporate ventures”. In their study, it was found that any of the above type of venture faces its own risks and difficulties and possesses different resources. Consequently, a new venture chooses the appropriate strategy according to its capabilities and the given circumstances.

Although numerous scholars supported strongly the above strategic perspectives (niche vs. aggressive strategies), which proved to be cornerstone for other strategic alternatives, they seem not easily applied to small ventures. Many scholars believe that one of the most suitable and adaptive strategy typologies was developed by Porter (1980). Porter suggested three strategy types in order a firm to be competitive in the industry. In a cost leadership strategy, a firm tries to eliminate costs using “economies of scale, cost control and efficient production” (McGee *et al.*, 1995, pp.567). Another strategic option that firms can pursue is a differentiation strategy. With this strategy, the firm gains its competitive advantage through the creation of differentiated products from its competitors. These products should be unique in the market so buyers understand the differences between the same products. On the other hand, there are firms which adopt a focus strategy where they chose a small target segment in the market and they use ‘cost leadership or differentiation’ in order to serve it (McGee *et al.*, 1995; Carter *et al.*, 1994).

The majority of researchers’ studies accept Porter’s model, but they have expanded the concept of the ‘differentiation’ strategy. In particular, Chaganti *et al.* (1989) found that there are two distinct categories in the ‘differentiation’ strategy: using differentiation through “innovativeness” and “quality-image orientation” (Carter *et al.*, 1994, pp.23).

Most of the times, the decision regarding the type of strategy a firm should adopt is directly related to the industry type which a firm belongs to. Some scholars correlated the specific features of a new venture’s strategy with “specific industry conditions”. Specifically, Cooper, Willard and Woo (1986) illustrated how a firm under these conditions competes aggressively the market leaders. In addition, Abell (1980) cited that a differentiated strategy is followed by a firm when it is entering

“growth stage markets” and when the market is in a mature stage, the firm follows a focus strategy (McDougall *et al.*, 1994). Consequently, the choice of a strategy (broad vs. narrow) by a firm depends on the existent industry stages’ (early vs. later stages) (McDougall *et al.*, 1994). Also, at the later stages of an industry’s supply chain, a firm adopts narrow strategies while in the first stages of a supply chain, a firm selects broader strategies (Carter *et al.*, 1994).

2.6 Important factors in new ventures

2.6.1 New venture behaviors

Academics and analysts have long been concerned about what type of behavior and decisions characterize a successful new venture at the start up stage of its life cycle.

There are specific factors about certain matters that each entrepreneur has to take under consideration, study and at last resolve and decide upon in order to start a new and profit promising venture. The most crucial of these factors are:

- *Market research*: market analysis is crucial for all kinds of ventures. The entrepreneur that decides to develop a venture should at first devote time on studying the market, understand its opportunities, needs and threats, use strategic tools to do so and at last comprehend the conditions that hold in this market. This is vital in order to be ready to face all kinds of problems concerning the product’s creation and promotion (Gruber and Henkel, 2006).
- *Clear business idea*: it is vital that the whole idea that inspired the entrepreneur to decide upon developing a venture is clear, not complex so that the entrepreneur will not get confused when developing the product, and that the consumer will fully understand the use of this product (Gartner, 1985).

- *Simple and procedural planning process*: as all business actions, starting up a new venture requires specific steps to be planned so that the necessary actions are scheduled properly. Without the right planning process, even the most promising ideas might easily fail (Delbecq and Van de Ven, 1971).
- *Time devoted on the whole project*: it is rational that the entrepreneur should devote the most of his personal time on the creation of the venture and the development of the planning process, so that all factors are taken into consideration (MacMillan and Day, 1987).
- *Use of outside professionals and advisors*: it is also rational that not all entrepreneurs have managerial skills and knowledge and the proper experience to resolve all kinds of problems that might arise. Because of this fact, the entrepreneur must not hesitate to cooperate with outside professionals and advisors in order to solve specific problems during start-up (MacMillan and Day, 1987).
- *Development of a business plan*: in order for the entrepreneur to ensure that all factors are being well processed and the whole process is right and well studied, a business plan is necessary. Thus, all types of information are included in a written text that the entrepreneur or the outside professionals and advisors shall easily run to for further research (Gartner, 1985).

A study conducted by Duchesneau and Gartner (1990) on 26 both successful and unsuccessful new ventures reveals that concerning the start up behavior:

- the absolute level of market research was low for both groups of firms. Specifically, successful firms undertook small efforts in market research, whereas unsuccessful firms undertook little or no market research.

- entrepreneurs that started successful new ventures were more likely than unsuccessful entrepreneurs to identify a business idea that is clear and broad.
- entrepreneurs that started successful new ventures used a procedural and comprehensive planning process, while unsuccessful entrepreneurs were more likely to purchase firms.
- successful firms spent more time planning than unsuccessful firms.
- successful new ventures depended on the advice and information provided by other industry participants, particularly customers and suppliers. Successful entrepreneurs sought out information, and were open to any information (good or bad) which could be used to help them improve their ventures' performance. Unsuccessful entrepreneurs were less willing to accept advice from others.
- most ventures (successful and unsuccessful) did not have written business plans, as the entrepreneurs appeared to utilize personal planning notes.

2.6.2 External environment

The external or macro-environment of a company refers to all factors that exist within the market, sector and country where the firm operates. Literature supports that external environment is divided into (Shaker, 1993; Amit and Schoemaker, 1993):

- Economic environment: it includes factors like the economy's growth rates, the country's economic and tax system, the government deficit, citizens' income and the state's income policy. In addition, other economic factors like inflation, interest rates, unemployment have a negative impact on consumer income, which is a key motive for demand for goods and services. In order for organizations to survive and be competitive, incentives should be given by the state such as tax relief, development laws etc.

- Environmental- natural environment: The place to establish the company, the climate, the abundance of raw materials and appropriate transport connections, play an important role in the company's competitiveness.
- Political and cultural environment: The political environment includes institutions of the state that contribute in the formation of the state's policies. The cultural environment includes factors like customs, traditions and religion.
- Legal environment: it includes all state laws concerning the operation of the firm, such as labor relations, the emission of pollutants and the transactional settings.
- Social environment: the size of population and the way in which groups that affect the production and the distribution of the product are structured play a great role on the operation and development of a company.
- Technological environment: Technological progress has a positive effect on the development of innovative products and offers competitive advantages to the company.

2.6.3 Incubators

The term Business Incubator (or just Incubator) is globally used to determine a company which provides funding to newly created companies with rapid growth prospects (to a lesser extent than the venture capitalists do), premises and equipment (such as buildings, furniture, computers, telephones, access to the Internet, etc), secretarial services, consulting services and support (such as tax consulting, accounting, legal matters, IT, recruiting staff, etc.) and a network of contacts regarding customers and suppliers. The incubator gets in return a percentage of the share capital and / or payments from the new firm (Nam, 2000).

The incubator's mission is to establish and help the new company grow so that, having the right infrastructure and professional preparation, it can apply for funding in the near future to a venture capital firm or a bank, in order to make its first

important investment that will allow it to grow and enter the market. The duration of the investment Incubator usually undertakes varies between 6 and 18 months (Grimaldi and Grandi, 2005). In Greece, both the state and the European Union offered funding at the beginning of the 2000s via the program “Eleutho”, and thus the first Greek "incubators" began functioning.

These incubators are created by Greek venture capitalists, investment and general business consulting firms or other private investors. It should be mentioned that while they generally undertake the same activities as international incubators, their approach is different. The differences are mainly in the way and the amount of financing they offer to young entrepreneurs. More especially, there are some Greek incubators that have their own funds with which they finance incubates (the new companies that they take under their protection) and there are others that simply mediate and bring new companies in contact with venture capital firms in order to be financed. The duration of the incubator’s investment usually lasts between 6 and 18 months (Triantafullopoulos, 2006).

2.6.4 The entrepreneurial team

In the business world, the role of the entrepreneur is one of the greatest factors when it comes to a new venture’s success. Apart from this fact, it is also true that a firm needs to be effectively managed, which means that this cannot be guaranteed by only one person. Individuals form teams to achieve successful management, which equals to complex tasks. Past experience has proven that the team work is usually better than the individual work, and leads to more efficient economic outcomes. Moreover, Shrivastava and Tamvada (2011) claim that team formation has become a critical component for advancing scientific knowledge.

Shepherd and Krueger (2002) claim that innovations tend to be developed easier by a group of managers or individuals with managerial skills. When individuals’ talents, knowledge and experience are combined, complex problems tend to be easier

resolved via more effective solutions. Moreover, Sanders and Carpenter (1998) show that the greater the team size, the more effective the company is managed, the information is processed and all kind of issues arising are resolved.

In order for an entrepreneurial team to be efficient in its role, cooperation and good will are necessary factors. When a team is formed, all members should agree on some basic principles, like how decisions are made and how new ideas are introduced. This is valid in the business world as well. The team members should agree upon a specific problem facing policy and respect the decisions made by the team as a whole.

2.6.5 The characteristics of the product

Duncan and Moriarty (1998) claim that the characteristics of the product themselves are a crucial factor for its success. Thus, the company has to deal with basic matters concerning the product:

- The consumers fully understand the necessity and purpose the product is developed to satisfy.
- The features it has are ideal to meet the costumers' needs.
- The customer pays for these features and nothing more that could make the product look pricey.
- The product and the package are differentiated from other similar products in order to avoid confusing them.
- The marketing executives have to decide about the appearance and size the product shall have.
- They also have to make sure they let consumers know how the product differs from competitive ones.

2.7 Dissertation's research questions

The theoretical research and review done so far reveals some basic points concerning the development of new ventures. In order to develop a realistic aspect of the factors that leads to the creation and success of new ventures in Greece, the following questions are going to be answered via the use of questionnaires:

- What are the particular personality traits of an entrepreneur that affect most the new venture performance?
- Which of the following factors is more critical for the new venture success: the role of the entrepreneur, the role of the entrepreneurial team or a combination of both?
- During the early stages of a new venture, what are the most critical processes/activities/factors that influence its success?
- What competitive strategies are pursued by new ventures and what are the reasons of their selection, among other types of strategies, by the firms?
- What is the impact of the environment to the new venture's development and performance?

3. METHODOLOGY

In the current dissertation thesis, qualitative research method is used, based on the case study approach methodology, in order to examine what the most critical factors that influence the success of a new venture and its whole progress in the marketplace are.

The case study method is considered to be the most appropriate research method for the purposes of this study. Specifically, it seems to be appropriate because the researcher, during the study, may face some difficulties in terms of participants' hesitation to answer some questions. According to many scholars (Romano, 1989; Eisenhardt, 1989; Lincoln and Guba, 1985; Patton, 1990), there is not a precise number of the cases that should be selected for a study. However, Eisenhardt (1989) claimed that "a number between four and ten cases often works well" otherwise the researcher cannot support his empirical findings (Perry, 1998, pp.793). Moreover, Yin (1984) recommends us to use "multiple-case study method" in order the study to be more accurate due to more evidences which will be examined (Almeida and Fernando, 2008, pp. 163). Also, according to Yin (1994), the "multiple cases" should be viewed as "multiple experiments" (Perry, 1998, pp. 792). In addition, each case should be examined independently of the others. Furthermore, Yin (2003) supported that case study approach is applied when the researcher examines "contextual conditions", which have a strong impact on the phenomenon, which is studied (Baxter and Jack, 2008, pp.545). In similar vein, according to Numagami (1998), this type of research helps us "to assess holistic patterns of social phenomena in real-life situations" (Almeida and Fernando, 2008, pp. 163). (Almeida and Fernando, 2008; Perry, 1998)

3.1 Data collection

The main method of data collection was through semi-structured interviews with the founders of the new ventures which were chosen as participants of this dissertation research. According to Yin (2014, pp. 113), interviews provide valuable "case study evidence because most case studies are about human affairs or actions".

The interviewees consist of seven entrepreneurs, who constitute the sample of this study. The reason for selecting them directly is related to the purposes of this study

to investigate the various critical factors that lead new ventures in Greece (real cases) to become successful and enter the marketplace dynamically during the recent economic years. The ventures' selection for the sample was based on the networks and collaboration of International Hellenic University with successful start-ups, the personal contact of the author with the i4G business incubation and personal seeking of other start-ups. In terms of the time span of interviews' completion, the interviews were realized within almost two months.

The one to one interviews with the founders were not tape recorded in order the interviewees to feel more comfortable to answer the questions and for reasons of convenience. Instead of tape recording, detailed notes for each answer were written down during each interview. Concerning the benefits of the one to one interviews is that the researcher "obtains in-depth opinions" from the respondents. In this type of interview, the respondents are more "honest and frank" to their answers when they know that the interview has a specific context (Bugher, 1980; Carruthers, 2007, pp.65). In addition, the researcher gathers a lot of original information about his/her topic in order to examine it to a greater extent (Faulkner *et al.*, 1999). Most of the interviews took place at the personal office of the entrepreneurs', while two of them were realized through Skype video-calls. It should be mentioned that during each interview, a "conversational manner" was generated with every interviewee (Yin, 2014, pp. 111). The duration of each interview was approximately twenty to forty minutes. Also, this study includes only primary data which were gathered from the interviews conducted.

The basic research instrument used for this study was a semi-structured questionnaire. It is significantly important that prior to distributing the questionnaire and making the interviews with the entrepreneurs, pilot testing with key practitioners and academics in the field was performed in order to avoid mistakes in the formulation of questions and probable ambiguities at their comprehension. The semi-structured questionnaire combines a mixture of both close-ended questions and open-ended questions. Close-ended questions were chosen in order interview not to be time consuming and for reasons of convenience during the analysis of the data. Open-ended questions were used in order the interviewees to be more flexible

in the way they answer. Also, the interviewees may make valuable comments during their answers which can be prove to be cornerstone for further examination on a topic (Faulkner *et al.*, 1999). In general, we try to “satisfy the needs of our line of inquiry while simultaneously putting forth friendly and nonthreatening questions” in the semi-structured interview (Yin, 2014, pp.110).

3.2 Analysis of questionnaire construction

The selection of the majority of questions was gathered from specific scientific articles from EBSCO Database and Google Scholar. Particularly, for the first part which deals with the demographic characteristics and personal details of the entrepreneur, the questions were selected from: GEM 2011 adult population survey (www.gemconsortium.org), from academics recommendations, from previous studies where various variables/factors were examined and as a consequence some questions from the questionnaire were adapted by the author (Chrisman *et al.*, 1999; MacMillan *et al.*, 1985; Sandberg and Hofer, 1987; Duchesneau and Gartner, 1990). For the second part of the questionnaire which refers to the entrepreneurial characteristics of the new venture and to the personality traits of the entrepreneur, there were made adaptations, from previous researches, to the questions from the author respectively (Kakati, 2003; MacMillan *et al.*, 1985). Also, some of the questions were created for the purposes of the research. In addition to this part of questionnaire, the characteristics of the product were examined. The questions’ adaptation by the author was based on MacMillan *et al.*, (1985), MacMillan *et al.*, (1987) and Song *et al.*, (2010) scientific papers and one question was extracted from GEM 2011 adult population survey. The third part of the questionnaire seeking answers around the critical factors of ventures’ success or failure employed questions which were extracted from Duchesneau and Gartner (1990) and on academics recommendations. In the fourth part of the questionnaire the special ventures’ characteristics were examined. Specifically, most of the questions were

adapted to Duchesneau and Gartner (1990) study and some questions were generated in order to examine to a greater extent this section. Finally, in the last part it is examined the incubation's contribution and its benefits on the new venture creation and especially on ventures which are hosted by a business incubation in Greece. One of the questions was adapted on a report of "Pre-incubation instruments – application and effectiveness assessment" (2012) downloaded from Babson College (www.babson.edu) and all the other questions were created for deeper examination of the incubation topic.

4. DATA ANALYSIS

At this stage of the dissertation, responses acquired through semi-structured questionnaire will be coded and categorized.

Specifically, for the analysis of interviewees' responses, transcription of each interview was generated and afterwards field notes and observations were written down by the researcher. At this point where field notes were completed, the coding of interviews was generated. Due to the difficultness of that stage, "a simple way to code", without the use of specific qualitative analysis software, was implemented. In particular, tables for every part of questions were created (**see Appendix**) and all the answers of close-ended and open-ended questions were transferred into them. Concerning the open-ended questions, the researcher has conveyed the essence of the interviewees' statements. In this way, it is simpler for researcher to observe his/her data, make quantifications for the close-ended answers and see across the frequency of same statements and opinions which were expressed by the participants (Bryman and Bell, 2011).

The creation of the above tables contributes to the generation of a set of most important factors, which influences the success of a new venture. After coding the interviews, main concepts were extracted, which deal with the new venture

creation, the entrepreneur's activities, how they perceive some critical factors and what role has played each factor to the success of their products. After this point, the most important issues and statements were clustered and as a result six broad categories of analysis were derived (Almeida and Fernando, 2008). It is very important for the researcher to include data from interviews that give responses to the research questions which were set initially at the review of the literature. In addition, "the subjectivity that is permitted the researcher in qualitative research implies a greater responsibility to articulate to the reader the basis upon which data may be selectively incorporated or discarded during this phase of the study" (Baron, pp.16). Also, according to Coolican (1990) the researcher should include in his/her study, verbatim extracts from the interviewee's responses in order to enlighten his/her findings and communicate the attitudes and opinions of some respondents (Faulkner *et al.*, 1999).

Specifically, for the analysis of the data, an approach of focus by topic was followed. More particularly, it was examined how the founders have answered to a specific topic of interest and what similarities and differences were identified. Questions, which refer to a specific topic, were clustered together to a coherent category (Taylor-Powell and Renner, 2003).

4.1 Stages of analysis

Findings in this dissertation thesis were analyzed at six stages. First, it was analyzed the entrepreneurial characteristics of the entrepreneur/founder and the new venture, which is the first level of analysis. Specifically, the first section includes three sub-categories: (i) the form that should have the entrepreneurial team, (ii) the personality traits of the entrepreneur and (iii) the characteristics of the product. Thereafter, the second stage of analysis examined the critical factors of ventures' success or failure such as the special characteristic of the product which distinguish it

from similar products in the market. Also, at this point, the founders made a brief evaluation of their ventures according to the initial goals that they have set. Afterwards, at the third stage, the special characteristics of each venture separately were identified in order to examine what influence have on the venture's success and what critical activities should undertake an entrepreneur at the early stage of his/her venture. In the fourth stage, the different types of strategies which pursued by the new ventures and the reasons for selecting them, were analyzed. After this stage, the fifth stage of analysis analyzed the external and internal environment of the new ventures and what impact has on them. Finally, the last stage analyzed one of the most critical factors of this dissertation research, the incubation contribution and its benefits on the new ventures.

4.2 Preservation of anonymity

Concerning the confidentiality matter, the names of the entrepreneurs were not disclosed in the present study. Instead of their names, "interviewee 1, interviewee 2" and so forth were used respectively with the order that interviews have been made.

4.3 Analysis of sample

The majority of sample was male entrepreneurs, from which four out of seven were at the age of 45-54 years old. The remaining sample was at the age of 25-34 years old. The five out of seven new ventures, which examined are in Thessaloniki and the other two have their offices in Athens. It is of significant importance to be

mentioned that the educational level of the participants was quite high, as two out of seven had a PhD title at their possession and four out of seven had a MS at their possession, respectively. Also, only two out of the seven entrepreneurs had a family business background. Regarding, the business studies background of the participants, five out of seven have completed their studies in the fields of economics. It is worth mentioning that the six interviewees out of seven have demonstrated leadership in the past in various positions and in different fields, a factor that may influences their decision to run their own new venture. However, only two out of seven interviewees have made previous attempts to create a new venture. Specifically, one entrepreneur stated that “the attempts to make a new venture lasted many years; our attempts have begun since 2003. In short, we have attempted to create our first venture from which the current venture derived.” Moreover, most of the founders have worked in a new venture in the past, like a partner, project leader or as an assistant from two to five years approximately. As far as the industry sector of the ventures (from our sample) is concerned, three out of seven belong to information systems, two out of seven belong to software, one out of seven deals with new media technology and the last one deals with the recycling-technology. The years of operation of these ventures differ from one year to maximum six years (**Appendix, Table 1**).

5. FINDINGS

In this chapter the results and the key findings from the empirical research will be presented analytically by category in order to reveal the critical factors that affect the success of a new venture.

5.1 Entrepreneurial characteristics of the entrepreneur/founder and the new venture

5.1.1 Entrepreneurial team

Entrepreneurial team seems to have a powerful impact to the success of a new venture. Particularly, interviewee 4 stated that “it is our team which leads us to success”. There is a consensus of the interviewees that the entrepreneurial team should be consisted of individuals that have different scientific backgrounds. Interviewee 6 pointed out that “the team should have complementary skills. Particularly, the founder should have business skills and the remaining team should consist of individuals who have technical, marketing, sales and productivity skills.” Also, the active role of members in the decision-making has positive effects to the new venture progress (**Appendix, Table 2**).

5.1.2 The personality traits of the entrepreneur

Personality traits of the entrepreneur seem to have a strong effect on new venture success. The entrepreneur should try to eliminate imminent risks and be ready to face unpredictable situations in every moment, as four out of seven interviewees stated. Also, we can deduce that prior managerial experience has a positive effect on new venture creation. Additionally, some participants claimed that the good team, determination, persistence regarding the goals that an entrepreneur sets, enthusiasm, passion for work, flexibility and founder’s daring are additional elements that affect to a great extent the success of a firm. In addition to these, interviewee 3 declared that the entrepreneur should be willing to strive in order to achieve his/her goals. However, interviewee 4 stressed out that “the founder should have the specific capital in order to support his effort”. What is more, most of the interviewees agreed on that the entrepreneur should take risks and react properly when he faces some obstacles. Besides, successful creation of new ventures comes from founders’ ideas. Moreover, most of the entrepreneurs (five out of seven) perceive the new venture creation as a unique opportunity to develop their idea to a successful venture. In essence, this is the main internal motivation for a new

entrepreneur. In other words, the entrepreneur is motivated by his curiosity and perceives the venture creation as a challenge (**Appendix, Table 2**).

5.1.3 Characteristics of the product

Regarding the characteristics of the product, it is assumed to be essential to create a prototype. From our sample, nobody was based on a patent about his product. Interviewee 6 characterized this procedure “too expensive”. Also, there is an upward trend of incremental innovation which seems not to have a link in what market the product will be introduced, such as established, emerging or a new market. Regarding the market acceptance to the brand-new products that the ventures offered, there were participants that claimed that it was very easy to gain the market acceptance and the others answered negatively. Except from these, most of the ventures do not have many business competitors who offer similar products or services in the market. Specifically, two out of seven new ventures from the sample do not have any competitor (**Appendix, Table 2**).

5.2 Critical factors of ventures’ success or failure

As we can infer from the results of the interviews, the technology (know-how), the simplicity of a product (user-friendly), the easy and direct communication with the client, the product’s differentiation on specific details from competitors’ products and the contribution of social media and Internet, in general, are some products’ characteristics that affect and contribute to the success of new ventures which were examined. In short, these characteristics correspond to some fields where the entrepreneur can examine, target and create a different product from his competitors.

When interviewees were asked to evaluate the progress of their business venture according to the goals which they have set initially, four out of seven entrepreneurs

are waiting for the evolution of their venture and for the “next step”, as they claimed. Two out of seven pointed out that there is “always room for extra improvements” and that new goals are set constantly. However, the majority of the entrepreneurs perceive that their venture is concerned to be successful in terms of the initial goals which they have set (**Appendix, Table 3**).

5.3 Special characteristics of each venture

Most of the entrepreneurs (five out of seven) expressed that spending some time on market research, following a detailed planning procedure, developing an analytical business plan and making estimations about new venture’s costs are determinants factors for the success of the new venture at the early stage (**Appendix, Table 3**). As it seems, based on the research, the time of planning procedure diverges among the new ventures. Thus, a new venture may spend three months to more than three years in planning, as interviewees stated. The market research process is a more complicated thing. It was dependent on how well the entrepreneur knows the market and if he/she had examined the market previously, before the creation of his/her existent new venture. For this reason, three out of seven entrepreneurs deal only one month with the market research. Moreover, the professional advice from people, who were either outside professionals or persons from the internal environment of the firm, is concerned to be significant for the success of the new venture.

Taking into account the resources of financial funding of the entrepreneurs, most of them were self-financed. Secondly, another resource from which comes the financial support was from the first earnings of the product. Also, two out of seven entrepreneurs noted that angel investors supported their effort (**Appendix, Table 4**).

5.4 Competitive strategies

Two out of seven entrepreneurs pursued a differentiation strategy and two out of seven pursued a strategy which would be characterized as a low-cost one. All the other participants seemed to adopt different types of strategies (focus, aggressive entry strategy, internationalization approach). Regarding the reason for choosing a specific type of strategy, there are numerous explanations by the founders. Indicatively, interviewee 2 stated that “the adoption of a low-cost strategy was driven by the circumstances and for risk-aversion reasons in order not to be kicked out of the market”. Interviewee 6, who pursued a differentiation strategy, adopted such a strategy because he had applied the same strategy for another project in the past and proved to be successful. Additionally, interviewee 7, who pursued a zero-cost/low-cost strategy, stated that the main reason for choosing this type of strategy, was to run the product in the market and make a pilot testing of it. Specifically, he wanted to see if the users perceive the utility of the new product. In most cases, it was the founder who has developed and chosen the specific strategy for the specific moment. Besides the above reasons, of course the benchmarking between some types of strategies and what strategy fits better to each venture in terms to the industry which belongs to plays a key role to the choice of a competitive strategy (**Appendix, Table 4**).

At this point, it would be essential to mention that interviewee 1 declared that the strategies’ options which book model offers and previous scholars present in their studies cannot be pursued by new ventures in real life situations in Greece.

5.5 Environment

5.5.1 External environment

The external environment of the new ventures plays a significant role on the choices and opportunities that a venture can make and seize respectively. Also, the threats which a venture copes with have an impact on its survival.

Concerning the opportunities, one of the most critical opportunity which appears the last years, is the economic crisis because “makes the entrepreneurs think differently, more creatively and seek opportunities” as interviewee 4 stated. Also, from a socio-economical point of view, interviewee 1 claimed that “a new venture is something beneficial for the society”. Additionally, the global market offers a pool of opportunities to the new ventures. In some countries, there are definitely new and emerging markets with unserved needs, in which a new venture may enter, expand its activities and generate a bigger number of sales (extroversion). Also, interviewee 3 declared that there are “opportunities for attracting foreign investors” and apart from this in specific industries, “the existing competition urges you to become better”. Finally, another opportunity that emerges from the given conditions, is the field of technology and more specifically, “the field of Apps which gives you the opportunity to innovate” as interviewee 4 stressed out.

As far as the threats are concerned, the most important threat which new ventures face the last years, is the “no favorable economic conditions in Greece” (interviewee 1) and the economic crisis in general. Particularly due to the economic recession, “there is no access to funds and investments are not generated” (interviewee 5). In addition to these, “the economic crisis does not help new ideas to be developed” (interviewee 7). Except from the bad effects of the economic conditions, another threat which restricts the new ventures’ activities, is the strong competition both in a local and a global stage to all the entrepreneurially fields. Moreover, a threat which is faced by the ventures that activate in technology field, is that the know-how changes and “in any moment, it may appear a superior product than yours” as interviewee 6 stated. Concerning the new ventures which deal with SAS (software as a service) sometimes may appear a strong dependency from the social media, such

as Facebook and Twitter. In other words, this type of venture is based on the constant advertisement by the social media. Also in such cases, the user should be eager to use the Internet and it is significant to be noted that these ventures are based also on a current trend which may cease to exist in the future (**Appendix, Table 4**).

5.5.2 Internal environment

It is undeniable that the internal environment has a notable impact on the new venture success. From the internal environment derive the critical success factors and capabilities (strengths) of the firm, in other words the determinants of the venture's success. However, the weaknesses of the ventures were examined, which may hinder them to be developed.

One of the most important strength of the new ventures which were examined at this study, it is the power of the entrepreneurial team, as the majority of entrepreneurs stated. More particularly, the interviewees expressed about their team in different ways. Some of them emphasized the multidimensional knowledge of their team and on the other hand some stated that it is the flexibility, consistency and experience of the team which is the strength of their venture. Additionally, interviewee 1 noted that "the participative role of the employees to decision-making" is core strength for the venture. Also, two out of seven entrepreneurs declared that the business culture is one of the most significant factors for the venture's strengths. Moreover, two out of seven entrepreneurs claimed that innovative ideas and the entrepreneurial mindset are valuable elements for the new venture progress.

In terms of weaknesses, three out of seven entrepreneurs confronted problems of funding and money liquidity. Specifically, interviewee 1 stated that "it needs much time for a Greek project to be completed due to lack of funding. In contrast, a Siemens' project, which is a giant competitor to my firm, completes its projects faster due to its better funding". The second weakness, which emerges from the empirical research, is the lack of team's experience, when one venture consists of

young individuals who have not worked in the past in a similar project. Furthermore, two out of seven entrepreneurs emphasized the potential hazards which derive from the uncertainty. Interviewee 3 made a remarkable comment on this topic: “you do not know what you do not know. I mean that an entrepreneur does not have the means in order to foresee what is going to happen in the next day”. Finally, one major weakness from one of the examined ventures which deals with new media technology is the fact of organizational problems, which they face, due to the fact that there are not real offices, but the entrepreneurial team works from home (**Appendix, Table 4**).

5.6 Incubation contribution

The majority of participants agreed that certain institutions like technology parks and mainly business incubators play a key role on venture success. In particular, three out of seven entrepreneurs are hosted by an incubator, one of them was hosted in an incubator in the past and one out of seven is hosted by a co-working space. The core incubator’s benefits which are offered to new ventures are the rental space and equipment, consulting/coaching and the networking, as derived from the research.

The Internet and contacts with familiar people, which are involved with the entrepreneurship, are the main ways that most entrepreneurs choose in order to be informed for the existence of the incubators. Besides, an important issue that emerged from the empirical research is that most people are unaware of the existence of incubation process and its benefits, here in Greece. Except from that, three out of seven participants declared that business incubators have made some failure attempts in the past and their benefits are misunderstood in the Greek market. As interviewee 6 stated “the business incubation does not function well in the Greek market. It is not clear what the incubators are able to offer to the new

ventures...”. Also, interviewee 7 pointed out that the” incubation’s benefits will be widely known, when successful start-ups exit from the incubators”. With regards to financial support that business incubation provides to a new venture which is hosted by it, the majority of participants answered that there is not a financial support. Indicatively, interviewee 1 stressed out that: “in our case no funding was received due to lack of financial capital by the incubator. Only the first wave of companies, entered when the incubator started business, have received some funding”.

Concerning, the venture’s freedom in terms of its earnings, nobody is limited by the incubator that is hosted. Specifically, ventures’ earnings do not go to the incubator as it did not offer financial support and there is not any kind of pressure by the incubator. Interviewee 1 emphasized that “we are effectively as free as in any other scenario where we would have been hosted outside of an incubator”. All in all, we can infer that the incubation contribution has a positive correlation to the success and performance of a new venture and its role is concerned to be very constructive at the early stages of a new venture (**Appendix, Table 5**).

6. DISCUSSION

This study is partially in accordance with the literature section, supporting that “successful lead entrepreneurs came from entrepreneurial families” (Duchesneau and Gartner, 1990, pp. 305). The findings reveal that it is not necessary for a new entrepreneur to have origins from an entrepreneurial family in order to make a new venture successful. Also, previous start-up experience, prior managerial experience and the high level of education of entrepreneurs seem to have positive effects on new venture success and corroborate previous scholars’ findings (Duchesneau and Gartner, 1990; Van de Ven et al., 1984).

Although there are studies (Sandberg and Hofer, 1987) that underestimate the role of the entrepreneur, the results of this dissertation thesis agrees with the findings of

Kakati (2003) where the personal characteristics of the entrepreneur have a positive impact on the new venture success. More particularly, the characteristics of the successful entrepreneur, as presented analytically in the literature review are in accordance with the findings of this study. Besides, the fact that most of the entrepreneurs from our sample perceive new venture creation as a unique opportunity to develop their idea into a successful venture, is consistent with the study of Chen *et al.* (1998) where it is supported that being an entrepreneur is not a just a way to earn money, but there are many factors that influence career choices. Also, in a new venture, it is the founder's innovative idea from that derives the creation of a successful venture and he is responsible for the selection and development of a competitive strategy.

Taking into account the entrepreneurial team, it is an undeniable fact that the latter boosts the performance of the new venture. Regarding the composition of the entrepreneurial team, which should consist of individuals from different scientific backgrounds, our dissertation confirms previous studies (Shepherd and Krueger, 2002; Sanders and Carpenter, 1998) that emphasize team's size, experience and its multidimensional knowledge, which affect the effective venture's management and the resolve of arising problems. Consequently, we can infer that entrepreneurial team and entrepreneur should operate as a team, as a whole in order to reinforce the success of the new venture.

Additionally, successful new ventures required to create a prototype for their product. Our findings ascertain the study of MacMillan *et al.* (1985, pp.127) where their cluster analysis showed that some venture capitalists seek for ventures with products "for which a prototype has been developed". Additionally, on this research the venture capitalists look for ventures which have "market acceptance in an existing market" and low threat of other business competitors. Thus, our findings reveal that new ventures, at the early stage, should target a market with low or non-existent competition in order to have more probabilities for success. As far as products based on incremental innovations are concerned, our findings partially corroborate the study of Song *et al.* (2010) who claim that products based on radical innovations perform better than those based on incremental innovations. A possible

interpretation of the upward trend of incremental innovation (of our sample) may be the economic crisis, which affects new ventures and make them seek more stable solutions. In other words, founders prefer adding value and new content in an existing product to creating something extremely new which proves to have many costs. Besides, regarding the characteristics of the product, our findings coincide with the study of Duncan and Moriarty (1998) who claim that the product should differentiate from similar products in the market and costumers should perceive the purpose the product is developed to satisfy.

Concerning new ventures' behavior, it is necessary that the venture spends some time on market research, follows a detailed planning procedure, develops an analytical business plan and makes estimations about new venture' s costs. Most of our results corroborate previous studies (Nam, 2000; Duchesneau and Gartner, 1990). According to Duchesneau and Gartner (1990, pp.298) "the use of outside professionals and advisors" have a positive effect to the performance of new ventures, a fact which is confirmed in this dissertation.

Unfortunately, regarding Venture Capitalist Firms, it is an institution which is not developed in Greece to a great extent. This fact causes some problems to new ventures in terms of their funding and their development. For this reason, one of the most significant weaknesses of Greek new ventures is the lack of money liquidity (initial capital) at early stages.

Regarding the competitive strategies, which new ventures (from our sample) pursue, this study confirms mainly Porter's (1980) typology. Besides, we observed a confirmation of Chaganti *et al.* (1989) study in relation to differentiation strategy "through quality-image orientation" (Carter *et al.*, 1994, pp.23). Thereafter, when a new venture has to choose the appropriate type of strategy should examine the specific circumstances that has to cope with, its capabilities, its resources and specifically its industry conditions (Shrader and Simon, 1997; McDougall *et al.*, 1994).

Another factor that has a great impact on new ventures' performance is the external/macro-environment. As we have made a brief review of this factor in the literature review session, we can conclude that economic environment and

especially the Greek economic and tax system, the deficit, the unemployment and the economic downturn in general affect new ventures, their progress and their choices. Moreover, political environment seems to play a significant role to new venture destiny. In particular, Greek state and certain institutions do not provide specific funds to new ventures so as innovative and smart projects not to be completed. Finally, technological environment provides valuable opportunities in order new ventures to innovate and create unique and hi-tech products. However, from technological environment derives threats as well like technology's constant changes which may obsolete many existing products.

Last but not least, our findings reveal that the incubation process has a prominent role in new venture success at early stages. . The core incubator's benefits offered to new ventures are assumed to be rental space and equipment, consulting/coaching and networking, which confirm in a great extent Nam's (2000) previous study and the report of Babson College (2012). However, they are not in an absolute accordance, regarding the financial support that offered by incubators. Additionally, our findings do not confirm the literature which presents that the incubator gets in return a percentage of the share capital and / or payments from the new firm (Nam, 2000).

7. CONCLUSION

7.1 Theoretical and managerial implications

At the theoretical level, the study informs already existing knowledge in the area of entrepreneurship, a relatively new field of research with inconclusive results emerging from several studies and in particular of new venture creation. More specifically, it highlights that set of factors that is critical in aiding start-ups to succeed. Particularly, this dissertation emphasizes the entrepreneur's personal

characteristics and capabilities such as risk taking, prior managerial experience and problem solving ability, which affect new venture's success. Additionally, it provides an exceptional ascertainment of Porter's competitive strategies typology. Finally, it enlightens the critical role of incubators and especially presents an adaptive incubator's model which corresponds to the needs, capabilities and resources of each new venture.

At the managerial level, our findings inform potential and established entrepreneurs as the best practices to be followed in creating a new venture. Also, they should consider key issues like the form and the consistency of a strong and participative entrepreneurial team. What is more, it should be emphasized that entrepreneurs should have a clear innovative idea and daring in order to create their own venture and should be in alert concerning new opportunities that come to the surface from various industry fields in order to create something unique and strong regarding the existing competition. In similar vein, this dissertation informs potential entrepreneurs for giving emphasis on incremental innovation when they have to deal with the creation of new products, as a more secure solution during the years of economic crisis. Besides, entrepreneurs should be extroverted and always seek global opportunities in order to expand their businesses and discover new global markets with new or emerging needs. In addition, entrepreneurs should set constantly new higher goals and update their products. Furthermore, our findings regarding the incubation contribution reveal that the incubation process and its benefits are not known in Greece. For this reason, it is vital to inform the entrepreneurial world about the existence of this supportive mechanism and urge them to use it if they are going to create a new venture. Similarly, it would be constructive for incubation businesses to get feedback by the ventures which are hosted by them in order to become better regarding the services/benefits which they provide to new ventures.

All the above are concerned to be important provided the scarcity of resources that entrepreneurs are confronted by in the initial stages of their activities and the huge failure rates of entrepreneurial ventures. Provided that entrepreneurship might be the cure to the economic crisis economies face almost globally, our findings might

prove critical towards shifting entrepreneurial initiatives towards the right directions.

7.2 Limitations and future research directions

Although we have tried to examine as more as possible critical factors, which influence the success of a new venture, there is a need for further investigation. The limited amount of the particular only set of factors considered and examined, the particular context, the qualitative in nature methodology, the realization of the study within a particular point in time, as well as the limited sample constitute only some of the current study's limitations regarding issues of generalizability of results or lack of longitudinal data. At this point, ideas for future research will be presented.

First of all, we can suggest a comparative research to be done between a Greek sample of ventures and a foreign one in order to compare the determinant factors for success in both samples, also considering the effect of the context, legislation and/or support mechanisms that influence the process between the two countries. Another idea is to conduct research by field including sectors, such as communication, fashion, technology, agricultural ventures and so forth. Moreover, future research should further examine ventures that will exit from business incubators and investigate the critical factors that affect their performance and survival through time. Finally, it would be constructive to conduct a more multifunctional analysis regarding new ventures incorporating other variables, such as networks, spin-offs, technology parks, universities laboratories, research patents as the breadth of literature in these areas indicates as critical factors in the process of new venture creation.

7.3 Limitations

This dissertation thesis has some inherent limitations. However, only significant limitations will be presented below, which may have a significant impact on this dissertation. For these reasons, we tried to be very cautious during the process of drawing conclusions.

First of all, the small sample size is a key limitation for this study. In other words, the sample includes only seven founders of new ventures and was selected randomly. According to Baron (pp. 5), “results may not be generalizable beyond the specific population from which the sample was drawn”. Also, it seems that the sample derives from limited geographical regions (Thessaloniki and Athens) and does not include other regions of Greece. Thus, we do not see if the determinants success factors which were examined in this research are similar for new ventures in other regions in Greece.

Besides, the sample includes only new ventures from particular industry segments such as information systems, software and technology industry. Moreover, it would be constructive for the results of the study, a failed venture to be included in the sample in order to see what factors lead this venture in the failure and make the comparison with the successful firms, respectively. It would be fruitful, further research to be done in a larger sample of industries in order the results to be more valid and more factors to be emerged which affect the creation of a successful new venture.

In addition, it should also be noted that the economic conditions may have an impact on interviewees’ responses and probable answer with hesitation.

Furthermore, there is a need for further research on the field of new venture creation, because of the complicated nature of that phenomenon. That is to say that the particular context may not be able to generalize results.

In a nutshell, the fact that the factors identified at the early stage of new venture creation might not be the same with the factors in the next stage or may have a different weight in their effect on a new venture, so further research is required to see if these ventures survive within time and what factors are most important in those latest stages of maturity (Almeida and Fernando, 2008; Duchesneau and Gartner, 1990; Baron).

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9. APPENDICES

9.1 Semi-structured questionnaire

Questionnaire

The purpose of this survey is to investigate what are the critical success factors that affect a new venture in order to survive and become successful in the market place. Also, it is examined the critical role of the incubation process to the new venture creation. Please circle the appropriate answer to closed form questions.

Part 1: Demographic characteristics

1. Entrepreneur's gender: **Male** **Female**

2. Entrepreneur's age group:

a. Below 18

b. 18-24

c. 25-34

d. 35-44

e. 45-54

f. 55-64

g. 65-99

(www.gemconsortium.org)

3. What is the highest level of education you have completed? _ _ _ _ _

4. Family's business background: _ _ _ _ _

5. Business studies background: _ _ _ _ _

6. Demonstrated leadership in the past? **YES** **NO**

7. Any previous attempts to create a new venture? **YES NO**
8. Have you ever worked in a new venture? **YES NO**
9. If the answer is “yes”, what was your position (self-employed, partner)? _ _ _ _ _
10. How many years have you worked there? _ _ _ _ _
11. In what field does your firm belong to? _ _ _ _ _
12. How many years does the venture operate? _ _ _ _ _

Part 2: Entrepreneurial characteristics of the entrepreneur & the new venture

13. The idea of building this venture comes from:
- a. the founder/founders of the firm
 - b. an entrepreneurial team
 - c. a spin-off
 - d. a technology park
14. What form must have the entrepreneurial team in order to reinforce the success of the new venture?
- a. the entrepreneurial team must consist of individuals that have different scientific backgrounds
 - b. the entrepreneurial team must consist of individuals of similar backgrounds
 - c. the venture must be directed only by the founder (there is not an entrepreneurial team)

Entrepreneur's characteristics

15. Which one from the above factors do you believe that makes an entrepreneur successful?

- a. has a family tradition on entrepreneurial activities
- b. prior managerial experience
- c. try to eliminate imminent risks
- d. something else _ _ _ _ _

16. Concerning the entrepreneur's personality, what characteristic is the most important for the venture's success?

- a. the entrepreneur has to take risks and react properly when he faces some obstacles
- b. the entrepreneur has to be persistent on his goals
- c. the entrepreneur has to insist on details
- d. the entrepreneur has to be enthusiastic and passionate with his work
- e. something else _ _ _ _ _

17. Do you believe that the entrepreneur perceives the venture creation as:

- a. a unique opportunity to develop his innovative idea to a successful venture
- b. an investment
- c. a way to make further research on his idea
- d. something else _ _ _ _ _

Characteristics of the product

18. Is the product based on a patent? YES NO

19. Does the product gain the market acceptance easily? YES NO

20. During the design of the product, did the venture develop a prototype? YES NO

21. Is the product:

a. a radical innovation

b. an incremental innovation

c. something else _ _ _ _ _

22. The product:

a. was introduced in an established market

b. was introduced in an emerging market

c. created a new market

d. something else _ _ _ _ _

23. Right now, are there many, few, or no other businesses offering the same products or services to your potential customers?

a. Many business competitors

b. Few business competitors

c. No business competitors

d. Don't know

(www.gemconsortium.org)

Part 3: Critical factors of ventures' success or failure

24. What is the special characteristic of your product, which distinguishes it from other products in the market and affects mostly its success? _____

25. Evaluating your business venture, would you characterize it as successful or failed in terms of your goals? _____

26. For the success of the new venture (early stage), is it more important the entrepreneur:

- a. to spend time on market research
- b. to follow a detailed planning procedure
- c. to develop an analytical business plan
- d. to make estimations about the new venture's costs
- e. all the above

Part 4: the special characteristics of your venture

27. How much time has been devoted on planning about the new venture? _____

28. How much time has been devoted on market research about the new venture? _____

29. From which resource did the financial funding of the new venture come? _____

30. At the early stage of the venture, did you need a piece of professional advice?

YES NO

31. If "yes", what was the educational background of that person? _____

32. For how long did you use his/her services? _____

33. What type of competitive strategy/strategies has the firm chosen during the introduction phase of the product? _____

34. For what reasons has the firm chosen the specific strategy/strategies? _____

35. Who has developed this/these strategy/strategies (e.g. the founder/founders, the entrepreneurial team)? _____

36. What are the opportunities/threats in your external environment? _____

37. What are the strengths/weaknesses in your internal environment? _____

Part 5: the incubation contribution on your venture

38. Do you believe that the role of certain institutions, such as technology parks and business incubators, play a key role on the venture success? **YES NO**

39. Have you ever thought to use such supportive mechanisms for your firm?

YES NO

40. What is the most valuable service/benefit that an incubator provides in order to accelerate your venture's development?

a. know-how

b. rental space & equipment

c. consulting/coaching

d. financial support

e. networking

f. all the above

41. Who/what is the person/way from whom/which you were informed about the incubation existence? _ _ _ _ _

42. Do you believe that the incubation process and its benefits are well-known in Greece? **YES NO**

43. Does the incubator business provide you a better financial support (funding) than a venture capitalist or a family member/friend? _ _ _ _ _

44. Do you believe that the incubation process limits your venture's freedom in terms of your earnings? (e.g. a part of your earnings should go to the business incubator that hosts your venture) _ _ _ _ _

Please add any other comments you would like to make about the determinants of the success of your venture: _ _ _ _ _

Thank you for your time.

9.2 Codification of interviews/ List of tables

PART 1: DEMOGR.CHARACT ERISTICS & PERSONAL DETAILS	INTERV 1	INTERV2	INTERV 3	INTERV 4	INTERV 5	INTERV 6	INTERV7
1. gender	M	M	M	M	M	M	M
2. age group	e	e	c	e	c	e	c
3. educational level	PhD	PhD	MS	BS	MS	MS	MS
4. family's business background	His brother is an entrepreneur	NO	NO	NO	NO	YES	NO
5. business studies background	MBA	Economics of athletics	-	Economics	-	Business administration	Economics
6. leadership in the past	NO	YES	YES	YES	YES	YES	YES
7.previous attempts	NO	NO	NO	NO	YES (many attempts)	YES	NO
8. Have you ever worked in a NV?	NO	NO	YES	NO	YES	YES	YES
9. position	-	-	Project leader	-	Partner	Partner(CEO)	assistant
10.how many years?	-	-	3 years	-	5 years	2 years	4 years
11. field of the venture	Cognitive systems & robotics (information systems)	Software	SAS(Software As a Service)	Mobile & Web apps (information systems)	Social Games for mobile Smart phones(information systems)	New media technology	Recycling-technology
12. how many years this v. operates?	3 years	6 years	20 months	Approximately 3 years	2 years	5 years	1 year

Table 1

PART 2: ENTR.CHARACT ERISTICS OF THE ENTREPRENEUR & THE NV, CHAR/STICS OF THE PRODUCT	INTERV 1	INTERV 2	INTERV 3	INTERV 4	INTERV 5	INTERV 6	INTERV 7
13. the idea of building this v.	a	a	a	a	a	a	b
14. form of entrepreneurial team	a	a	a	a (the structure of the company is based on the participative decisions taken by the team)	a (active role of members, they should be motivated)	a(founder's skills: business skills, team's skills: technical , marketing, sales, productivity skills)	a
15. what factor makes an entr.successful?	d (loyalty, determination, clear goals, effort, luck& good team)	c (the idea is the most important)	a,b (daring)	b,c (the entrepreneur should have the specific capital in order to support his effort)	b,c (it relates to how effectively you execute your idea, experience , the good team)	b(especially in Greece)	c
16. entr.personality	e (capability of learning through errors, internal strength to do the 1 st step, don't be afraid of the change)	a,d(thinking in an innovative way, persistence)	a	a,b,c,d	b,d(persistence)	a,b	a,b,c,d
17. the entr.sees the v.as:	d (challenge, curiosity)	a,b,c(according to the given circumstances and the financial capabilities of the founder)	a	b (in order to survive)	a (this is the core motivation for a new entrepreneur)	a	a
18. patent	NO	NO	NO	NO(there is not a specific product)	NO	NO(it is too expensive)	NO

19. gain easily the market acceptance?	YES (specific target segment, low volume - high value product)	YES (important role of Social Networking)	NO	NO	YES	NO(it is needed effort, communication, education in order to achieve market acceptance easily)	- (they have not entered the market yet)
20. prototype	YES	YES	YES	NO	YES	YES	YES
21. innovation?	c (between a & b)	b	b	b	b	b(the product added value in an existing market)	b
22. market?	-	c (no competition in Greece)	a	b	b	c	a
23. business competitors	c	c	a (class B competitors)	b	b	b	b(only 2 competitors in Greece)

Table 2

PART 3: CRITICAL FACTORS OF VENTURES' SUCCESS OR FAILURE	INTERV 1	INTERV 2	INTERV 3	INTERV 4	INTERV 5	INTERV 6	INTERV 7
24. special characteristics of your product which affects most its success	Collection of corresponding technologies (esp. the know-how)	Offers enough support to the client, direct communication with the client	Social media integration	Simplicity, easy to use	They try to be differentiated by others on specific details that the products offer to users	User experience-interface, product's new content, technology	The recycling changes and becomes an "internet issue"
25. evaluating your business	The venture looks like a baby, they expect the evolution of the firm, for the next step	None of the 2 (they expected to earn more)	Huge success according to the goals they have set, they wait for the next step	Successful because of the little goals which were initially set due to the economic crisis, however there is room for extra improvements	In terms of the Greek conditions, they are successful despite the fact that in the global stage, their competitors earn more money	successful	Successful (everyday, new goals are set)
26. for the success of the N.V.:	e	e	e	a,c,d	e	e	a,d (the analytical business plan does not help you too much at the early stage, because you have lack of data)

Table 3

PART 4: SPECIAL CHAR/STICS OF YOUR VENTURE	INTERV 1	INTERV 2	INTERV 3	INTERV 4	INTERV 5	INTERV 6	INTERV 7
27. planning:	6 months	Above 3 years	8 months	3 months	Above 3 years	6 months	9 months
28: market research:	12 months	Not at all due to non-existent competition	3 months	1 month	1 month	1 month(it was needed more effort to examine the market, the founder has known the specific market earlier)	9 months
29: resource of financial funding:	Self-financing, R&D contracts	Self-financing ,from the earnings of the product	Angel investors, venture capitalists (2 increases of share capital were generated)	Self-financing	Self-financing, from the earnings of the product, angel investor (in later stages)	Self-financing	At the beginning, family members helped with the funding, after that: from the earnings of the venture, some forms of incubators& the participation in a competition
30. did you need a professional advice(early stage)?	NO	NO	YES	YES	YES	YES	NO
31. educational background of that person:	-	-	International Accounting Firm	These persons are from the internal environment of the company(business analysts, programmers,	This person is his co-partner (information systems, MS in economics)	business	-

				economists)			
32. How long did you use his services?	-	-	Do not have a specific duration, it was based on the services that you want	They are shareholders of the company	Until know	Until know	-
33. competitive strategy/strategies:	Internationalization approach (economies of scale, economies of scope)	adaptation of product's price(lower the price of the product step by step)	Focus strategy (from city to city, a step by step approach)	Differentiation strategy through the quality	Conservative strategy at the beginning, aggressive entry when the venture was funded	Differentiation (barriers were set concerning the competition, not easy for a competitor to imitate this venture)	Zero-cost strategy (5 free bins were offered by the firm in the area of Thessaloniki)
34. the reason for choosing that strategy?	No alternatives	Driven by the circumstances , avoid the risks in order not to be out of the market	Lessons learning from the industry, study different cases, benchmarking, the specific strategy works better in contrast with others	Strategic advantage	For practical reasons, no money at the beginning	Successful strategy, the founder has applied the same strategy for something else in the past	In order to run/test the product(pilot testing), in order to see if the users perceive the new product
35. who has developed it?	founder	Co-founders together	Management team	The team	Co-founders together	founder	founder
36. Opportunities /Threats:	O:talented people & inspiration in Greece, according to the economic conditions a N.V. is something beneficial for the society T: no favorable economic conditions in Greece, the bad profile	O: sales generated in Jordan, Tunis, Egypt, Bulgaria T: no specific target group	O: new market in Asia, Latin America, opportunities for attracting foreign investors (global stage), the existing competition pushes you to become better T: giant firms (competitors	O: the economic crisis makes you think differently and seek opportunities, the technology in general, the field of Apps gives you the opportunity to innovate T: economic crisis, taxations, there is not	O: unserved needs T: competition in this field, there is no access to funds, investments are not generated	O: enter new global markets (Serbia, Balkan countries) T: technology changes, at any moment it may appear a superior product	O: existence of many emerging markets, the nature of the recycling T: economic crisis does not help new ideas to be developed, natural disasters may destroy the bins

	of Greece to foreign people, the state does not help the start-ups.) with huge capitals, dependence from the social media(e.g. Facebook), saturated market in certain areas	funding			
37. Strengths/Weaknesses:	S:co-workers, business culture, opportunities to lead, participative role of the employees W:small size of the firm, problems with funding	S:adaptation and flexibility to the given circumstances , reliability, consistence W: small target group, problems with big sales	S: multinational group, business culture, multidimensional knowledge, determination, resistance to pain W: lack of experience & know-how in certain areas, you cannot foresee the next day	S: know-how, team's experience, strong team W: lack of money liquidity, team's consistency	S: evolution of the venture, team's consistency, ideas, passionate for the work W: Greek situation, uncertainty, it is difficult to be taken place partnerships with other companies, further funding	S: the team which is flexible, ambitious and the way of thinking entrepreneurially W: organizational problems due to the fact that there are not offices, they work from their homes	S: team's wide background, the venture is independent in terms of outsourcing in the field of development (they do not send to other firms orders) W: no experience from the team

Table 4

PART 5: THE INCUBATION CONTRIBUTION ON NEW VENTURES	INTERV 1	INTERV 2	INTERV 3	INTERV 4	INTERV 5	INTERV 6	INTERV 7
38. the certain institutions play a key role on the N.V. success?	YES	YES	YES	YES	YES	YES	NO (in Thessaloniki)
39. have you ever thought to use them?	YES(He is hosted by a business incubation)	YES(He is hosted by a business incubation)	YES(He is not hosted by an inc. business)	YES(he was hosted by a business incubation)	YES(he is hosted by a business incubation)	YES(He is not hosted by a business incubation)	YES (He is hosted by a co-working space)
40. the most valuable service that an incubator provides?	f	b	a, e (through the incubation, a new venture has more probabilities in order to achieve)	b, e (recognition, trustiness, prestige)	f	f(according to the specific needs of the entrepreneur in a specific moment)	Don't answer
41. in what way you were informed about the inc. existence?	The entrepreneur has searched for inc. in Thessaloniki through the internet	The entrepreneur has been informed by a familiar person from the field of entrepreneurship	-	Internet	From his co-partner	-	-
42. inc. & its benefits are well-known in Greece?	NO	NO	NO	YES(only for the persons who are interested in entrepreneurship)	NO (they are misunderstood in Greece, sometimes bus. incubations do not execute their job well)	NO(the incubation process does not function well in the Greek market, it is not clear what the incubators are able to offer to the N.V., previous failed attempts from incubation	NO (he believes that it is a new process and its benefits will become known when successful start-ups exit from the incubators)

						businesses)	
43. Does the incub. provide you a better financial support?	NO(no funding was received due to lack of financial capital)	NO(no funding was received due to lack of financial capital)	-	NO	YES(only at the early stages)	-	-
44. does the inc. limit your venture's freedom in terms of your earnings?	NO (no earnings go to incubator as they have not received money from them)	NO(only the rent goes to the business incubation)	-	NO	NO(there is not pressure from the incubation)	-	-

Table 5